

ISSUANCE OF COUNTY WARRANTS

During a recent fraud investigation, the Auditor-Controller discovered that County funds were stolen by a contractor that had the authority to issue warrants by interfacing with the County's accounting system.

I, THEREFORE, MOVE that the Board of Supervisors:

- 1) Adopt a policy requiring that only designated County employees shall approve the issuance of warrants;
- 2) Direct all departments to identify any instances in which contractors have authorization to approve the issuance of warrants through an interface or otherwise, respond in writing to the Auditor-Controller within 30 days of their findings, and begin the process of canceling any contractors authority to approve the issuance of warrants; and instruct the Auditor-Controller to report back on a quarterly basis of the cancellation status;
- 3) Direct the Department of Public Social Services (DPSS) to modify GEARS to require that two County employees approve all payments;

MOTION

Molina	_____
Yaroslavsky	_____
Knabe	_____
Antonovich	_____
Burke	_____

- 4) Direct the DPSS and Department of Community and Senior Services (DCSS) to review the GEARS system access files to ensure that unnecessary user identifications are removed, all identification have an identified user, and that only individuals who need access have access;
- 5) Direct the DPSS and DCSS to jointly develop policies and procedures that clearly designate each department's responsibility for monitoring;
- 6) Direct the DPSS and DCSS to jointly develop new GEARS generated reports to monitor irregularities in disbursements made through the system;
- 7) Direct the DPSS and DCSS to jointly develop the appropriate training for DCSS and its contractors, and DPSS internal staff on the use of the reports; and
- 8) Direct the DPSS and DCSS to jointly modify the MOU to reflect the clarified responsibilities.

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